Rural Credit

5077. MISS MABEL REBELLO : Will the PRIME MINISTER be pleased to state :

(a) Government's plans to boost rural credit;

(b) the incentives proposed to be offered to the rural industries; and

(c) the proposed plans for village reforms, generating employment and improve village economy?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SATYABRATA MOOKHERJEE) : (a) During X plan, continued emphasis will be placed on progressive institutionalization for providing timely and adequate credit support to farmers with particular focus on small/marginal farmers and weaker sections of society to enable them to adopt modern technology and improve practices for increasing agriculture production and productivity. An amount of Rs. 7,36,570 crore is estimated as credit requirement (Production and Distribution) through institutional sources for the X Plan. The thrust areas for increasing the flow of bank credit will include the followings :

(i) Nationalized Commercial Banks and Regional Rural Banks have been restructured and recapitalised in order to strengthen these banks;

(ii) Kisan Credit Cards and schematic lending will be promoted; (about 308 lakh KCC have been issued till end of February, 2003);

(iii) To strengthen the cooperative credit structure, rehabilitation package for revamping of cooperative credit institutions has been announced in the Budget speech for 2002-03.

(b) Khadi & Village Industries Commission (KVIC) is providing financial assistance to rural/village industry units under their Margin Money Scheme (MMS) through Rural Employment Generation Programme (REGP). The scheme envisages that 25% of the project cost for the project upto Rs. 10 lakhs will be provided as "margin money". For projects above Rs. 10 lakhs and upto Rs. 25 lakhs, rate of margin money will be 25% of Rs. 10 lakh plus 10% of the remaining cost of the project. NCDC provides financial assistance to Agriculture cooperative societies for post-harvest and other allied activities, which directly benefit the rural economy and the farmers.

NCDC has so far provided financial assistance of Rs. 7,096.87 crore upto 31-3-2003 under its various Central sector/ Corporation sponsored schemes. In non-farm sector, the NCDC provides loan to the weaker sections of community/ rural poor such as handlooms, sericulture, poultry, fishery etc. The NCDC

provides loan on marketing, storage, processing of agriculture produce. NCDC Act has been amended to widen its scope of activities to cover livestock, cottage and village industries, handicrafts, rural crafts and certain notified services besides facilitating NCDC to lend directly to cooperative societies without State Governments guarantee on certain prescribed terms and conditions.

(c) Schemes for back-ended credit-linked financial incentives for taking up storage/cold storage, post harvest processing and value addition are under implementation for providing infrastructure to agriculture. The programmes which are being implemented for generating rural employment and creation of rural assets are :

(i) Swaranjayanti Gram Swarojgar Yojana (SGSY)

(ii) Sampoorna Gramin Rojgar Yojana (SGRY)

(iii) Rural Housing - Indira Awaas Yojana (IAY)

Utilisation of Central Assistance

5078. SHRI B. J.PANDA : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that private firms have been appointed to monitor the use of Central funds;

(b) if so, the details thereof;

(c) whether the Prime Minister has issued directives to the Cabinet Secretary and others to ensure fool-proof system for optimum utilization of the Central funds for flood, cyclone, drought, etc. in the affected States and village development;

(d) if so, the details thereof; and

(e) the position of Orissa with regard to utilization of the Central assistance?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SATYABRATA MOOKHERJEE) : (a) and (b) As per information available. Ministry of Rural Development has identified 28 local based independent Research Institutes/Organisations to obtain monthly physical and financial progress of the rural development schemes in 125 districts of 20 States. Agencies also verify physical achievements and generate periodic qualitative reports.

(c) No Sir.

(d) Question does not arise.

(e) Against revised outlay of Rs. 2550 crores, the Government of Orissa has incurred an expenditure of Rs. 2469.18 crores during 2002-03.